



# THE CITY OF AUGUSTA

DAVID M. ROLLINS, MAYOR

CITY COUNCIL

MARCI A. ALEXANDER  
JEFFREY M. BILODEAU  
ANNA D. BLODGETT  
LINDA J. CONTI

DAREK M. GRANT  
DALE McCORMICK  
CECIL E. MUNSON  
PATRICK E. PARADIS

WILLIAM R. BRIDGEO  
CITY MANAGER

## INFORMATIONAL MEETING AGENDA

THURSDAY, SEPTEMBER 8, 2016

CITY HALL (COUNCIL CHAMBERS)

6:30 P.M.

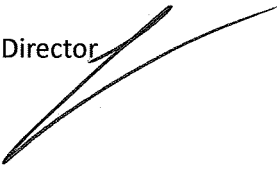
- A. Items for discussion submitted by the City Council and/or the City Manager:**
  - 1. Snowmobile Grant Application 2017 – City Manager
  - 2. 2016 Financial Year-End Report – City Manager
  - 3. Ambulance Replacement Funding – City Manager
- B. Persons wishing to address the City Council who have submitted a formal request in accordance with Section 2-61 of the Code of Ordinances:**
- C. Open comment period for any persons wishing to address the City Council.**

To: City Council

Re: Snowmobile Grant for Fox Glen and North Augusta Trail Blazers Snowmobile Clubs

From: Leif Dahlin, Community Services Director

Date: September 8, 2016



The State of Maine, Dept. of Agriculture, Conservation and Forestry, Bureau of Parks & Lands, Off Road Vehicle Division provides funds to local snowmobile clubs that are derived from snowmobile registrations. The funds are passed thru to the snowmobile clubs via their local municipality. There is no requisite match. The amounts of funds awarded to each club is predicated upon the budgets submitted by the clubs and then the actual disbursement is based upon actual costs incurred and verifiable thru the submission of grooming logs, maintenance logs as well as invoices for allowed expenses. Other than a minimal amount of staff time (yours truly) there is NO expense incurred by the City.

The city will handle the requisite paperwork, meet and work with the two snowmobile clubs in administering the grants and verifies all expenses and submits the request for reimbursement to the state. The grants have range from \$9,000.00 to \$12,000.00 annually generally split between the two clubs based upon each clubs submitted expenses. The City receives the funds and in turn sends the funds to both clubs, the North Augusta Trail Blazers and Fox Glen.

# Memo

To: William R. Bridgeo, City Manager  
 From: Raphael E. St. Pierre, Assistant City Manager  
 Date: 9/6/2016  
 Re: FY 2016 Unassigned Fund Balance Analysis

The following is an analysis of the City's Unassigned Fund Balance at June 30, 2016 and the financial results for FY 2016.

Unassigned Fund Balance 06/30/2015	\$ 5,224,110
Revenue variance	1,090,890
Expenditure variance	462,706
	<u>\$ 6,777,706</u>
Change in Civic Center assigned fund balance	114,900
Change in prior year's encumbrances	76,086
	<u>\$ 6,968,692</u>
Assigned for FY 2017 budget	-1,436,683
Unassigned Fund Balance 6/30/16	<u>5,532,009</u>
Recommended Fund Balance (8.33%)	<u>4,837,426</u>
Variance to Minimum Target	<u>694,583</u>

The positive revenue variance is primarily the result of the continued economic recovery in the area.

Property taxes collection had a positive variance of \$254,588 (101.6% collected) as a result of the strong collections for the FY 2016 year coupled with prior year tax collections. Businesses continued to invest in new machinery and equipment resulting in the Business Equipment Tax Reimbursement from the State to have a positive variance of \$57,897. Automobile sales continued to increase in FY 2016 resulting in a positive excise tax variance of \$251,339 (a record collection of \$3,324,094). State revenue sharing was \$83,535 more than budgeted. General Assistance reimbursement was \$41,865 more than expected due to the Legislature increasing the City's reimbursement rate from 50% to 70%. Investment income was over budget by \$177,584. This was due to our mid term government

securities increasing in value as a result of a continued bull market for government bonds. In addition, two other factors contributed to the positive earning variance: 1) we bid our banking services last year and as a result increased our earning credits with TD Bank, and 2) an increase in investable cash due to positive financial results for all Civic Center, Hatch Hill Landfill and General Funds. Permit fees for buildings, plumbing and zoning exceeded budget by \$119,736 as a result of continued building growth such as the National Guard relocation, Homewood Suites Hotel, Performance Food Group expansion, Hodgkins School renovation, Darling Motors expansion, new Dollar General Store, and Rocky Stove Shoppe expansion. Greater Augusta Utility District street opening permits were up \$8,625 and vacant Property permits were up \$3,800. Emergency Medical Services billing exceeded expectations by \$132,576. Maine Criminal Justice Academy reimbursement totaled \$19,000. We started sending an officer to teach at MCJA.

The positive revenue variances were offset by negative variances totaling \$117,966. The Augusta Parking District did not contribute \$70,000 towards the debt service for the Downtown Parking Garage. City rents were off by \$23,346 as the State of Maine reduced their rental space at Buker Community Center. Cable franchise fees were off by \$16,556 a result of an increase in service fees for Digital Spirit Media and a slight decline in franchise fees. State reimbursement from URIP (local road assistance) was down by \$8,064.

The expenditure variance of \$462,706 represents a modest 1.7% of budget expenditures. All operating departments experienced positive expenditure results. General Assistance expenses were \$121,296 less than expected. Housing expenses were under budget by \$70,590. General Assistance cost were 27.5% less than in FY 2015. The continued job growth in the area attributed to the reduced assistance. The snow removal budget was under expended by \$134,351 due to the limited snow and ice events. Corporation Counsel was over budget by \$6,227 due to litigation costs. Compensated accruals had a \$118,061 adjustment to account for sick and vacation earned compensation. County taxes were \$17,712 more than expected. All other bureaus expenditures had a 1% to 2.5% variance.

The Augusta Civic Center operating revenues were \$2,634,471 with operating expenses of \$2,301,014 resulting in an operating income of \$333,457. Interest expenses totaled \$137,439 for a net income of \$196,018. Transfers (to)/from other funds netted \$75,437 (transfer to general fund and transfer from Market Place TIF). For a positive net change in position of \$271,455.

Hatch Hill Landfill operating revenues were \$2,855,701 with operating expenses of \$2,073,66 resulting in an operating income of \$782,035. Interest expenses totaled \$103,830, non operating income totaled \$60,291 for a net income of \$738,496. Transfers (to)/from other funds totaled (\$53,411) (transfer to general fund). For a positive net change in position of \$685,085.